

C
O
P
Y

PETROLEUM

- I C.I.G. is responsible for the development of foreign intelligence necessary to provide for the national security. To accomplish this end access must be had continuously to the latest and most nearly accurate information regarding petroleum and related developments abroad. Other agencies of government such as the Departments of State, War, Navy, Interior, Commerce and Treasury, Joint Chiefs of Staff, Army-Navy Munitions Board, Army-Navy Petroleum Board, State-War-Navy Coordinating Committee and United States Tariff Commission must themselves develop, or look elsewhere for, the best possible analyses of the foreign oil situation on which to base policies and operations for which they are responsible. For example:
 - a) SWNCC may request an analysis of the factors favoring alternate pipeline routes from the Middle East oil fields to the Mediterranean Sea.
 - b) The ANPB may require a study regarding the extent U.S. oil operations would need to be expanded in Latin America in order to assure adequate military supplies in the event most of the Western Hemisphere becomes involved in war.
 - c) The JCS may want to know how much, and from what sources, oil would be required for large scale land, sea and air operations in the Arctic regions.
- II Petroleum because it is essential to modern industry and vital to mechanized warfare is of tremendous importance in foreign relations as well as domestic affairs. At least 25 government bureaus and boards are concerned with petroleum, natural gas, and/or synthetic and substitute liquid fuels abroad and 5 interdepartmental committees have been set up to handle various phases of international oil. (See attached list.)
- III In view of this widespread interest in international oil affairs, it is proposed to coordinate the exchange, evaluation, analysis, and interpretation of petroleum intelligence among the several government agencies.
- IV Accordingly it is recommended that the following organization be established:
 - a) A Planning Committee composed of the following members and alternates:
 - 1 Petroleum Advisor—Department of State
 - 2 Executive Officer—Army-Navy Petroleum Board
 - 3 Head of Oil and Gas Division—Department of Interior
 - 4 Representative—C.I.G. to be executive secretary of Planning Committee
 - b) A Working Group to carry out directives of the Planning Committee composed of the following members and alternates:
 - 1 Representative—State Department for Research and Intelligence and Petroleum Division
 - 2 Representative—Army-Navy Petroleum Board for Plans Division
 - 3 Representative—War Department for Military Intelligence Division and Office of the Quartermaster General
 4. Representative—Navy Department for Office of Naval Intelligence and Bureau of Supplies and Accounts

(2)

- 5 Representative—War Department for Air Forces Intelligence
- 6 Representative—Bureau of Mines for following divisions: Petroleum and Natural Gas, Synthetic Liquid Fuels, Petroleum Economics, and Foreign Minerals
- 7 Representative—Geological Survey for following sections: Fuels and Military Geology
- 8 Representative—Commerce Department for Office of International Trade
- 9 Representative—U.S. Tariff Commission
- 10 Representative—C.I.G. (same as Planning Committee) to be chairman of Working Group and Liaison with Planning Committee

V It is believed that the foregoing organization should function approximately as follows:

- a) The Planning Committee, due to its membership of top level oil men in Government, will be in day to day touch with the formulation and implementation of United States foreign policy as it affects, and is affected by, oil developments throughout the world. Accordingly, many, if not most, of the requests for strategic studies of the international petroleum situation will originate with, or be referred to, members of the proposed Planning Committee.
- b) The Working Group will consist of representatives of all government agencies having a substantial interest in international petroleum affairs. It will prepare studies and undertake projects in accordance with priorities set by the Planning Committee. Such reports will be reviewed by the Planning Committee for substantive content and be issued as C.I.G. Papers. To facilitate consultation and research among members of the Working Group C.I.G. will maintain a file of all government reports, as well as other pertinent material, concerned with international petroleum affairs.
- c) Reports and projects may be proposed by any member of the Planning Committee or Working Group. Studies of high priority will be prepared as in b) above; those considered less important will be undertaken by the Working Group as opportunity permits or be developed independently by the requesting agency with informal assistance from C.I.G.
- d) Agencies participating in the Working Group agree to keep the chairman advised of all international petroleum reports or projects undertaken to the end that informational and analytical resources of C.I.G. and participating agencies may be quickly utilized as desired.

VI It is believed that the organization and procedures described will:

- a) Enable the speedy preparation of high level strategic petroleum studies required by top government officials for use in formulating policy and planning operations.

(3)

- h) Assure all government agencies interested in foreign petroleum developments access to the latest and most accurate information.**
- g) Provide each agency with such additional assistance as is required in the preparation of material for its own use.**
- f) Avoid duplication of effort by mutual consultation regarding reports of interest to more than one agency.**
- e) Make available to C.I.G. adequate facilities for the development of accurate and timely foreign petroleum intelligence required to provide for the national security.**

Attachment

(4)

U.S. GOVERNMENT AGENCIES CONCERNED WITH FOREIGN OIL DEVELOPMENTS

1. Agriculture, Department of - Bureau of Chemistry and Soils.
2. Army-Navy Munitions Board.
3. Army-Navy Petroleum Board.
4. Commerce, Department of - Office of International Trade, Bureau of Census, and Bureau of Standards.
5. Federal Power Commission.
6. Interior, Department of - Oil and Gas Division, Supply and Economics Section; Bureau of Mines, Divisions of Petroleum and Natural Gas, Synthetic Liquid Fuels, Petroleum Economics, and Foreign Minerals; Geological Survey, Fuels and Military Geology Sections.
7. Maritime Commission.
8. Navy, Department of - Chief of Naval Operations, Office of Naval Intelligence, Bureau of Aeronautics, Bureau of Supplies and Accounts, Bureau of Ships, and Bureau of Yards and Docks.
9. State, Department of - Petroleum Advisor, Research and Intelligence, and Petroleum Division.
10. War, Department of - Military Intelligence Division, and Office of the Quartermaster General.

INTERDEPARTMENTAL COMMITTEES CONCERNED WITH FOREIGN OIL DEVELOPMENTS

<u>Name</u>	<u>Sponsor</u>
1. Technical Committee on Petroleum	Department of State
2. Committee on Conservation of Natural Resources	Department of State
3. President's Committee on Oil	Department of State
4. Interdepartmental Petroleum Committee	Department of Interior
5. Petroleum Facilities Coordinating Committee	Department of State